



**NPRF Receives €250.4m of Bank of Ireland Ordinary Shares in Lieu of  
Cash Payment of Preference Share Dividend**

**22 February 2010** - The National Pensions Reserve Fund (NPRF) today received €250.4 million of Bank of Ireland ordinary shares, in lieu of cash, as payment of the first dividend on its preference share investment.

On 30 March 2009 the Minister for Finance directed the NPRF Commission to invest €3.5 billion in preference shares issued by Bank of Ireland for the purposes of recapitalisation. The preference shares bear an annual non-cumulative fixed dividend of 8% payable in cash or ordinary shares in lieu.

The European Commission has requested that discretionary coupon payments on Tier 1 and Upper Tier 2 capital instruments in Bank of Ireland not be paid while it considers the bank's restructuring plan. As a consequence, Bank of Ireland has today paid the first dividend on the preference share investment in the form of ordinary shares. It issued and allotted to the Fund 184,394,378 of its ordinary shares representing the amount of the 2010 preference share dividend divided by the average share price in the 30 trading days prior to and including 19 February 2010. The Fund now holds 15.7% of the ordinary stock of Bank of Ireland in issue.

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